

714.22 Trade and vocational schools — exemption — conditions.

The provisions of sections 714.17 through 714.21 shall not apply to trade or vocational schools if they meet either of the following conditions:

1. File a bond or a bond is filed on their behalf by a parent corporation with the college student aid commission as required by section 714.18.

2. File an annual sworn statement, or such statement is filed on their behalf by a parent corporation, certified by a certified public accountant, showing all assets and liabilities of the trade or vocational school and the assets of any parent corporation. The statement shall show the trade or vocational school's net worth, or the net worth of the parent corporation, to be not less than five times the amount of the bond required by section 714.18. If a parent corporation files the statement or its net worth is included in the statement to comply with this subsection, the parent corporation shall appoint a registered agent and otherwise is subject to section 714.18, subsection 1, paragraph "b", and is liable for the breach of any contract or agreement with students as well as liable for any fraud in connection with the contract or agreement or for any violation of section 714.16 by the trade or vocational school or any of its agents or salespersons.

[C73, 75, 77, §713A.6; C79, 81, §714.22]

85 Acts, ch 212, §21; 86 Acts, ch 1237, §43; 2002 Acts, ch 1140, §43; 2005 Acts, ch 19, §118; 2009 Acts, ch 12, §17